OCI No. 2430/63

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 30 July 1963

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Insurgency in South Vietnam and Laos

## 1. South Vietnam

a. Overall Viet Cong activity has now reached the highest level this year. For the second consecutive week there has been a marked increase in Viet Cong incidents and attacks—including one by two battalions. Viet Cong propaganda has suggested that the Communists will attempt to maintain a high level of attacks this week. Their actions thus far do not show any significant increase in capabilities.

b. The Buddhist dispute with the Diem government continues unresolved, but still seems to have had little impact in rural areas or upon the conduct of military operations.

2. Laos

Military activity has been limited to small skirmishes, and there is little change in the situation. However, the Communists continue to show little interest in negotiations except on their own terms, and they may intensify their military pressures at any time.

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